# SEVENTH REGIMENT ARMORY

A REQUEST FOR PROPOSALS

A LEGENDARY
NEW YORK
LANDMARK



REBORN

Sponsored by:

Empire State Development Corporation

Division of Military and Naval Affairs

EX. D

# THE SEVENTH REGIMENT ARMORY A REQUEST FOR PROPOSALS

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# THE SEVENTH REGIMENT ARMORY ON PARK AVENUE

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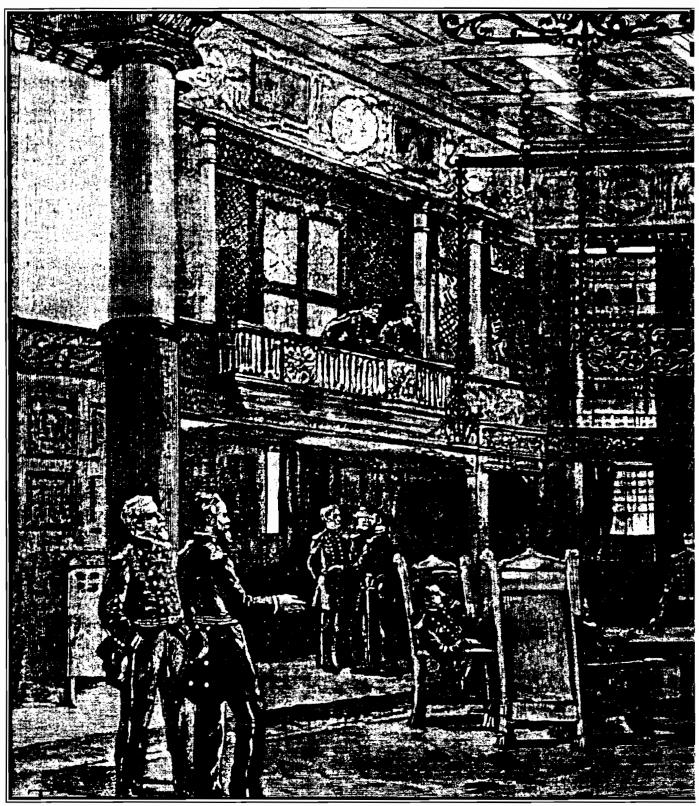
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Partial List of New York State Certified M/WBE Contractors

\*An electronic copy is provided with this package

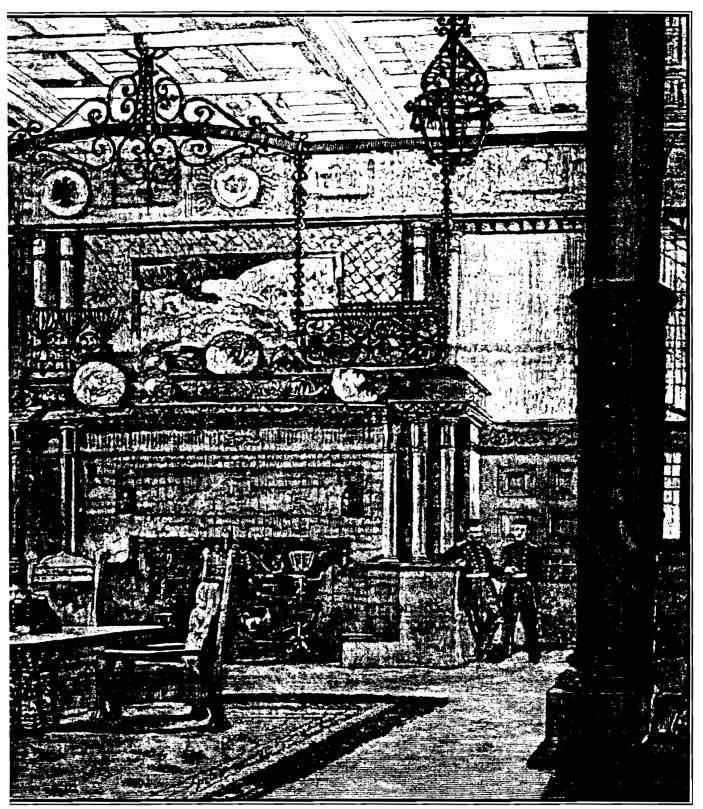






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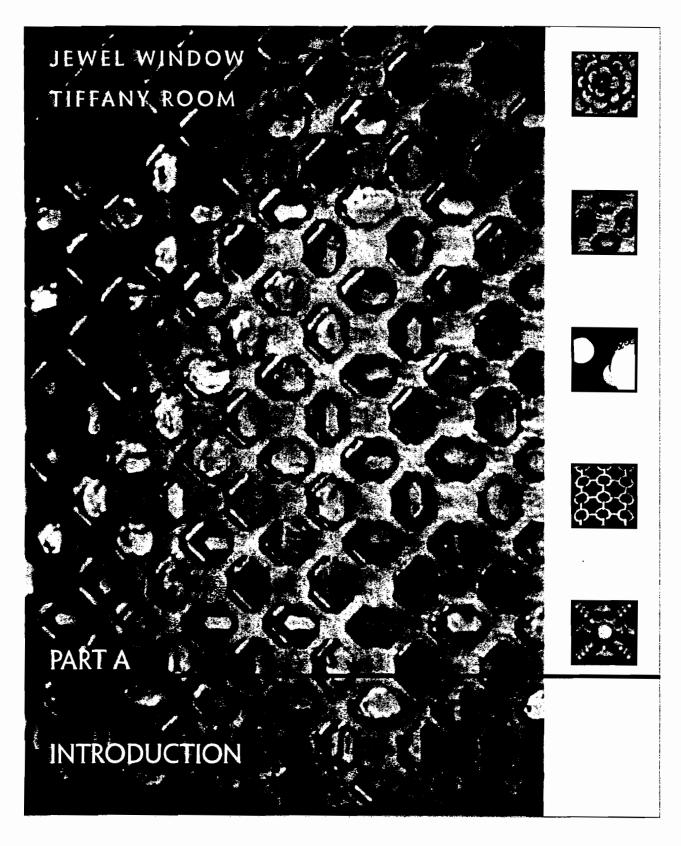
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PARK AVENUE





# PART A - INTRODUCTION

New York State ("the State"), acting through the New York State Urban Development Corporation d/b/a Empire State Development Corporation ("ESD") and on behalf of the Division of Military and Naval Affairs ("DMNA"), is seeking proposals for a developer ("the Developer") for the reuse of the historic Seventh Regiment Armory ("the Armory"). Proposals are to address appropriate uses and programs, as well as approaches to restoration, preservation, management and operations of the Armory.

ESD and DMNA invite responses from proposers (each a "Proposer") for the reuse of the Armory. ESD and DMNA will evaluate proposals (each a "Proposal") that are in accordance with the requirements of this Request for Proposals ("RFP").

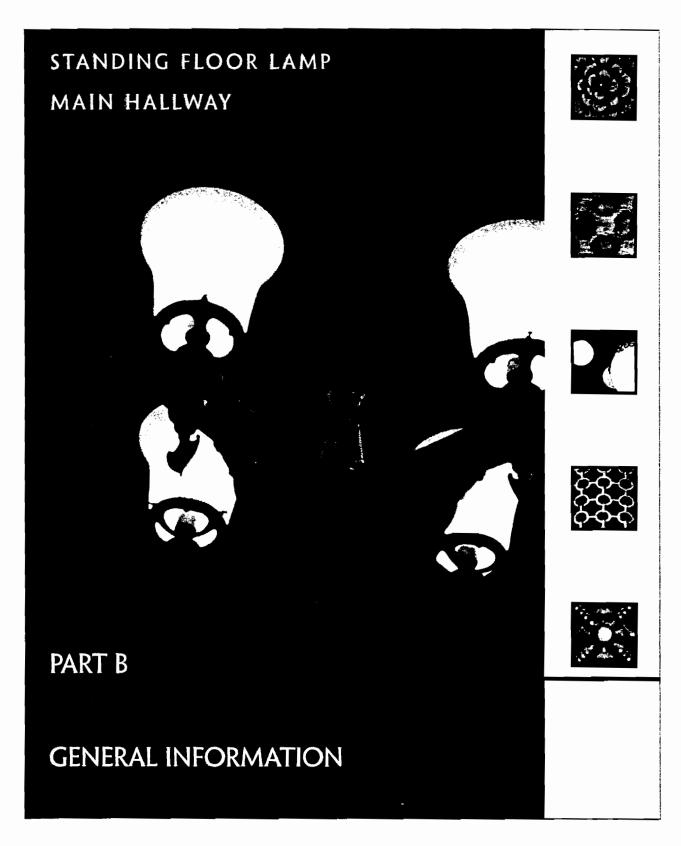
# The Opportunity

The Armory, located between 66th and 67th Streets, and Lexington and Park Avenues on the Upper East Side of Manhattan, New York, presents a unique redevelopment opportunity. Built between 1877 and 1881, it was the home of the Seventh Regiment, the largest and one of the most prestigious volunteer military organizations of the nineteenth century. Traditionally, the Armory has been a significant cultural destination, hosting internationally renowned antiques shows, print shows and art fairs. It has also provided space for varied community uses.

The Armory building, a prototype for armories across the country, and its highly significant ornamental period room interiors are in need of restoration. Both the exterior and the interior of the Armory are designated landmarks at the federal, state and city levels; and any proposed reuse, restoration and reprogramming will have to conform with historic preservation laws and appropriate guidelines. As discussed in further detail below, ESD and DMNA will assist the selected developer in coordinating the various review processes, and in establishing liaisons among the involved review agencies.

ESD and DMNA seek Proposals that provide a vision for the revitalization of one of the country's historic architectural treasures. This RFP sets forth information, guidelines, submission requirements and evaluation criteria that will be used to select a Developer.

In addition to the terms and conditions stated elsewhere therein, this RFP is subject to the terms and conditions set forth in Appendix 7 to this RFP. By submitting a Proposal, the Proposer agrees to abide and be bound by all terms and conditions of this RFP.





# PART B – GENERAL INFORMATION

# **Project Goals**

ESD and DMNA's primary goals for the Armory are to:

- 1) Preserve and restore its exterior and interior;
- 2) Ensure its ongoing financial stability;
- 3) Maximize private investment;
- 4) Achieve an appropriate financial return;
- 5) Accommodate public use and ensure public accessibility; and
- 6) Minimize negative impacts on the surrounding community.

# Schedule of Submissions and Review Process

PLEASE NOTE: Addenda to the RFP will be posted on ESD's website at (http://www.empire.state.ny.us/rfp/7rgt.htm). Such addenda will become part of the RFP as if set forth in this RFP. It is the Proposer's sole responsibility to periodically check the website for addenda.

# Schedule of Submissions

The non-refundable \$10,000 Application Fee, two (2) bound originals and fifteen (15) bound copies of the Proposal and all materials required, including all forms and attachments, must be received by 5:00pm, October 16, 2000, at the offices of ESD and DMNA's consultant, Ernst & Young LLP ("E&Y"), at the address listed below.

The Ernst & Young
Real Estate Advisory Services Group
1211 Avenue of the Americas, Suite 1400
New York, New York 10036
Attention: Mr. Charles Shorter

The Proposal must be signed by a representative of the Proposer who is authorized to bind the Proposer. The name, address, and telephone number of this individual, who may be contacted during the period of Proposal evaluation, must be included. All Proposals should be submitted according to the instructions in Part C of this RFP entitled Submission Requirements. Qualified Proposers may be asked to make oral presentations of their Proposals to ESD, DMNA and their consultants.

All communications and requests for clarification with respect to this RFP must be submitted in writing by mail or facsimile to:

Empire State Development Corporation 633 Third Avenue, 36th Floor New York, NY 10017

Attn: Mr. William Sherman Facsimile: (212) 803-3666

ESD and DMNA may respond to these requests in their sole descretion. All responses will be posted on the ESD web site at http://www.empire.state.ny.us/rfp/7rgt.htm.

# Review Process and Timing

ESD and DMNA may at any time exclude Proposals that, in their sole discretion, fail to demonstrate compliance with the submission requirements, the goals and/or any other term or condition set forth in this RFP.

ESD, DMNA, and their consultants, shall review all Proposals for completeness and compliance with the terms and conditions of this RFP, and may request from any or all of the Proposers additional materials, clarification, confirmation, or modification of any submitted Proposal, including Proposals that are incomplete, or non-conforming as submitted. Except at the request or by the consent in writing of ESD and DMNA (which consent shall be in the sole and absolute discretion of ESD and DMNA), Proposers will not be entitled to change their Proposals once submitted unless requested to do so by ESD and DMNA.

ESD and DMNA will select one or more Proposals that, in their sole and absolute discretion, most successfully fulfill the selection criteria, and best meet the goals of this RFP.

ESD and DMNA also reserve the right, at any time and in their sole and absolute discretion, to reject any or all Proposals, to withdraw the RFP without notice, to waive compliance with and/or change any of the terms of this RFP, to use the Proposals as a basis for negotiation with one or more Proposers and/or with parties other than those responding to this RFP and/or on terms other than those set forth herein.

The proposed schedule for the process is as follows:

- a. July 5, 2000 is the RFP issue date.
- b. Responses to this RFP are due on October 16, 2000 ("Proposal Due Date").

- c. ESD and DMNA intend to select a limited number of Proposers (the "Short List Proposers") approximately seventy-five (75) days after the Proposal Due Date ("Short-list Issue Date"). Prior to the Short List Issue Date, Proposers may be asked for additional information or clarification.
- d. Short-listed Proposers may be invited to make a formal oral presentation to ESD and DMNA.
- e. ESD and DMNA anticipate designating a preferred proposer (the "Preferred Proposer") or commencing a new competitive round in this process, or taking other action which ESD and DMNA believe to be in the best interests of the State, within approximately sixty (60) days of the Short-list Issue Date (the "Preferred Proposer Designation Date").
- f. ESD, at its own cost, will conduct an environmental assessment for the project in accordance with the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation ("NYSDEC").

The Preferred Proposer will be required to enter into an agreement that will likely be in the form of a long-term lease. Additional information concerning the agreement will be provided to Short-Listed Proposers. The Preferred Proposer will be required to execute the agreement within a reasonable time period (approximately 90 to 120 days) of being notified of its selection. The actual time frame will be determined by ESD and DMNA. If, for any reason, including the fault of ESD or DMNA, the agreement is not executed by the deadline set by ESD and DMNA, ESD and DMNA, in their sole and absolute discretion, may designate another Proposer as the Preferred Proposer.

# Armory Condition and Proposer Responsibilities

An assessment of the Armory's condition, including any repairs associated with its repair, restoration or modification, are the sole responsibility of the Proposer. Neither ESD, DMNA nor the State make any representation or warranty regarding the Armory, including its condition. Proposers are cautioned to verify any and all information contained in, or provided in connection with, this RFP.

# Inspection and Briefing Inquiries

ESD and DMNA have scheduled a pre-bid briefing for interested Proposers at 10:00 AM on Thursday, August 17, 2000. The pre-bid briefing will be held at the Seventh Regiment Armory in the Veteran's Room. Tours will be available for interested Proposers to inspect the building the morning/afternoon of August 14, 15 and 16, 2000.

To register for a tour or for the pre-bid conference please contact Charles Shorter or Zeba Iqbal of E&Y at (212) 773-6093 or (212) 773-3722, respectively.



In addition, the Armory can be made available by appointment to Proposers and their technical consultants for inspections. Please contact Charles Shorter or Zeba Iqbal at the above numbers to make arrangements.

RFP Process Schedule			
Approximate Dates	Events	Milestones	Targeted Time Period
July 5, 2000	Issue Armory RFP	RFP Issue Date	1
August 14-16, 2000	Walk through tours of	- 5 may 2000 204-204 (2000 200 30 - 11 may 2000 200 300 30 30 30 30 30 30 30 30 30 30 30	120 DAYS
	Armory		
August 17, 2000	Armory pre-bid briefing		<b> </b>
October 16, 2000	RFP Responses due	000000000000000000000000000000000000000	<b>†</b>
January 15, 2001	ESD and DMNA to issue		90 DAYS
	Proposer Short List		
February 1, 2001	Oral Presentations by	3.77.2000	l A
	Short listed Proposers		
March 30, 2001	ESD and DMNA	Preferred Proposer	60 DAYS
	notifying Preferred	Designation Date	
	Proposer or alternate		

Proposers should not contact employees or consultants of ESD and DMNA, except as provided for in Part B of this RFP. Failure to observe this requirement may result in the Proposer's disqualification from consideration pursuant to this RFP.

# Representations and Warranties

ESD and DMNA intend to recommend a Proposer as described in this RFP. However, as stated elsewhere in this RFP, ESD, DMNA and the State reserve the right, without liability, to accept any or reject all the Proposals submitted in response to this RFP, and to develop the Armory outside this solicitation process.

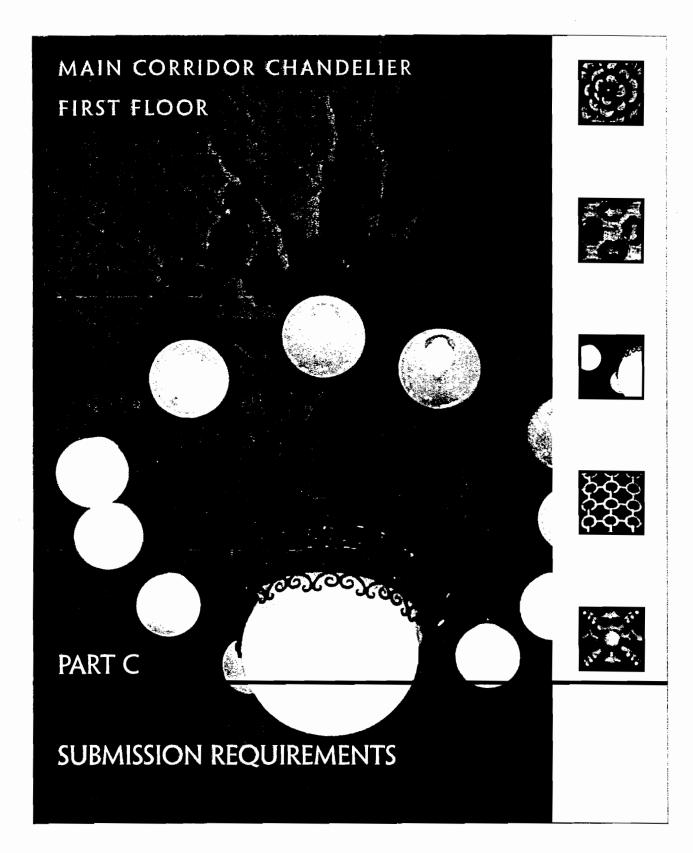
ESD, DMNA and the State make no representations or warranties whatsoever with respect to this RFP and the Armory including, without limitation, representations or warranties as to the accuracy of any information or assumptions contained in this RFP or otherwise furnished to Proposers; the use or progress of the development of the Armory, or any portion thereof; site and environmental conditions; or the suitability of the Armory for any specific uses or redevelopment. Proposers shall make their own analysis and evaluation of all aspects of the Armory, including without limitation, the income potential, profit potential and expenses of the Armory, as well as its physical condition, operation, layout, size, building systems, or structural integrity; and Proposers shall not rely upon any statement or information given the Proposers by ESD, DMNA or the State including, without limitation, any information

contained in this RFP, or supplied in connection with this RFP. Proposers shall also make their own environmental investigation of the Armory.

# **Application Fee**

Each initial proposal must be accompanied by a non-refundable application fee of \$10,000 in the form of a certified or cashier's check made payable to the order of Empire State Development Corporation (the "Application Fee"). Proposals submitted without the Application Fee will not be considered.

REGIMENT ARMORY PARK AVENUE SEVENTH





# PART C – SUBMISSION REQUIREMENTS

# Overview of Proposal Organization and Contents

All Proposals should be presented in two parts and have twelve (12) required sections, as shown below:

# DEVELOPMENT TEAM INFORMATION

Section 1	Identification of Development Team
Section 2	Experience of Development Team
Section 3	Financial Capability of Development Team

#### PROPOSED PLAN

Section 4	Executive Summary
Section 5	Narrative Description
Section 6	Management/Maintenance/Operating Plan
Section 7	Financial Proposal
Section 8	Financing Plan
Section 9	Project Completion Schedule
Section 10	Preservation Plan
Section 11	Design Concept, Architectural Drawings and Plans
Section 12	MEP Drawings

On the following pages are the detailed submission requirements for each section.

Each Proposal must be accompanied by (i) a completed, signed and notary public attested Certification in the form set forth in Exhibit 3 to this RFP (without omission, addition, amendment, modification or supplement); and (ii) the Affirmative Action information required under Appendix 8 of this RFP.

# **Development Team Information**

#### SECTION 1 - IDENTIFICATION OF DEVELOPMENT TEAM

ESD and DMNA will expect the following disciplines, at minimum, to be represented in the development team: developer, architect, construction manager and/or general contractor, facility operator and property manager (the "Development Team"). In addition, the Development Team should include consultants with substantial experience in historic preservation and the decorative arts, traffic analysis, facility programming, or other disciplines deemed important to the Proposer's plan.

Please provide the following information with respect to the Development Team:

- Identification of the Proposer
   Please state the name and address of the Proposer, as well as the name, address, phone and fax numbers and email addresses of the primary point of contact and the person designated to authorize and bind the Proposer.
- Identification of the Development Team
   Please state the name and describe the roles and responsibilities of each key member of the Development Team. Also, please identify and describe the experience of those members of the Development Team who are preservation and architectural professionals. In addition, please provide the names, addresses, phone and fax numbers and email addresses of each member of the Development Team and their primary point of contact.
- Legal Structure of the Proposer and Development Team
   Provide a description of the Proposer's legal organization structure (i.e. corporation, partnership, limited liability company, etc.) and describe (including the use of a chart) the proposed ownership/lessee entity and legal structure of the Development Team.
- Organization Chart of the Development Team
   Provide an organization chart including the names, titles, and principal roles for each team member of the Development Team. Include a description of proposed relationships for leasing agreements, management agreements, etc., where applicable.

#### SECTION 2 - EXPERIENCE OF DEVELOPMENT TEAM

Please provide three (3) to five (5) examples of relevant projects for each Development Team member.

Please provide the following information for these projects:

- · Project name
- · Location
- · Summary of project size and scope
- · Approximate construction cost
- · Date opened
- · Current ownership
- · Client references including contact name, phone number and e-mail address
- Summary of projects currently underway, expected to begin or to be completed within the next
  twelve (12) months, indicating for each project, the percentage completed to date, size and
  scope, cost and role of Development Team member.

#### SECTION 3 - FINANCIAL CAPABILITY OF DEVELOPMENT TEAM

Please provide Financial Credentials for all equity participants in the project, including:

- Three (3) years of audited financial statements (income and balance sheet). If not available,
  provide sufficient financial information and credit references regarding the financial strength
  and capability of the Proposer/Lead Development Team member, or any members responsible
  for financing the project.
- · Two (2) bank references.
- Current and anticipated financial commitments not identified in the audited financial statements.

# Proposed Plan

The proposed plan should include the following:

- · Executive Summary
- · Narrative Description
- · Management/Maintenance/Operating Plan
- · Financial Proposal
- · Financing Plan
- · Project Completion Schedule (with specific milestones)
- Preservation Plan
- · Design Concept, Architectural Drawings and Plans
- MEP Drawings

#### SECTION 4 - EXECUTIVE SUMMARY

Provide an executive summary of the proposed plan. The summary is an overview of the proposal and should include brief descriptions of the items covered in Sections 5 through 12 of this Part C following, supported by drawings plans, and spread sheets where necessary.

#### SECTION 5 - NARRATIVE DESCRIPTION

A full narrative description of the proposed use(s) must be submitted. This narrative should include at least the following:

- Description of the proposed use(s) of the Armory and plans to preserve the building
- · Breakouts of square footage by use/program
- Narrative description of the financial proposal to lease, operate, and manage the Armory including specific lease terms, such as:
  - the duration of the initial lease term and of the renewal term(s)
  - number of possible renewal terms
  - a definition of early contract termination and conditions and associated fees
  - identification of any contingencies related to the financial proposal
- Occupancy in aggregate and per individual use on an average monthly basis for permanent and event uses.
- · Marketing plan.
- · Guidelines to address traffic, noise, litter and other community concerns.
- Plans to account for the normal and emergency egress of occupants, the detection of hazards
  (i.e., fire, smoke, etc.), and fire prevention. The egress requirements, hazard detection, fire
  prevention and other safety items for the Armory, including the Drill Hall and the Headhouse,
  must cover all proposed uses and be in conformance with current codes.

- Plan to address other code issues such as finishes, ratings, toileting, etc., in combination with
  life safety technologies, and how the plan will be presented to public safety authorities as an
  acceptable solution.
- Identification of potential conflicts resulting from differences between code, historic
  preservation and landmark requirements.
- List all components of the Proposal that are as-of-right, and those that will require variances
  or special dispensations.

#### SECTION 6 - MANAGEMENT/MAINTENANCE/OPERATING PLAN

- Provide a description of the proposed plan for managing, maintaining and operating the Armory.
- Describe the anticipated relationship between the management entity and the Proposer/Developer and Development Team.
- If applicable, provide a sample management contract for subcontracting of property management services including term, management fee and central services costs, termination by owner, personnel, budgeting and spending limitations, financial reporting requirements and insurance.

#### SECTION 7 - FINANCIAL PROPOSAL

Using the electronic copy of Exhibits 1 and 2 provided with this package, please provide the following information regarding the financial proposal:

- Set forth the amounts, timing and all other relevant terms and conditions for the compensation to be paid to the State by the Proposer/Developer for the right to lease or use the Armory.
- A cash-flow pro forma indicating the projected revenues and expenses for the proposed uses of
  the Armory, as well as proposed payments to the State. The cash-flow pro forma should be for
  a total of 16 years beginning upon execution of the agreement. The pro forma should include
  sufficient line item detail for all sources of revenues, as well as operating expenses, debt service,
  rental payments, capital reserves, etc., and state the amount, terms and conditions that are
  reflected in the pro formas.
- Cash flow assumptions must be provided, using the formats set forth in Exhibit 1. Formats have been provided for the following four uses: exhibition/retail, audience support entertainment, conference center/exhibition and office. These formats are intended to allow flexibility, and to suit the needs of a variety of actual uses that may be included in the reuse of the Armory. It should be noted that neither ESD nor DMNA endorse any specific use of the Armory. If a Proposer wishes to propose a use not covered by, or adaptable to, one of the above formats, please contact William Sherman of ESD at the address provided in Part B of this RFP.

- Project cost summary (hard and soft costs) as detailed in Exhibit 2.
- If proposing a mixed-use project, please provide a detailed description of any potential shared services opportunities between the components and a detailed explanation of how they have been incorporated in the pro forma (if applicable).

The following General Assumptions should be adhered to:

- Start date January 1, 2002: all pro formas should commence on the assumed date of execution
  of agreement and should be based on a calendar-year analysis. This date is assumed for the
  purpose of consistency among pro formas only and is not meant to imply a projected delivery
  date.
- Three percent (3%) per year general inflation.

#### SECTION 8 - FINANCING PLAN

Please provide the following information regarding the financing plan:

- Description of the Financing Plan for the proposed uses, including a description of sources of
  financing and equity. Although ESD and DMNA do not contemplate utilization of public
  funding, if the developer intends the use of any public funds, eg. historic tax credits, describe
  the sources, amounts, terms, and basis for such financing.
- Contact names and phone numbers with each identified financing entity; and written permission for ESD, DMNA and their consultants to contact them regarding this proposal.
- Letters of interest from sources of financing and equity stating their interest in the project, the amount of financing/equity, terms, rates and contingencies.

#### SECTION 9 - PROJECT COMPLETION SCHEDULE

Please provide a narrative description of the issues and possible solutions the Development Team has identified as critical to the successful execution and completion of its plan. Also, please include a realistic project completion schedule including the following milestones:

- · Due diligence period
- · Preliminary design work
- · Phasing plan for renovation of the building
- · Renovation/construction documentation
- Reviews and approvals
- Substantial completion date
- Occupancy date
- · Detailed estimates of timing for all payments to the State

#### SECTION 10 - PRESERVATION PLAN

While the selected Proposal should meet all historic preservation laws and requirements, ESD and DMNA believe these laws and requirements are compatible with creative, innovative approaches to reuse and design, and encourage such thinking in developing Proposals for the Armory.

Provide a written summary of the proposed approach to preserving the Armory's historic character consistent with federal, state and local historic preservation laws and guidelines.

The Preservation Plan should discuss:

- · Restoration and repairs to existing historically important spaces and features
- · Appropriateness of any proposed new uses and building alterations.

SECTION 11 – DESIGN CONCEPT, ARCHITECTURAL DRAWINGS AND PLANS Provide information on design concept(s), drawings and plans as outlined below:

- A written narrative outlining the proposed design concept(s) for the Armory, covering all
  proposed uses and alterations to the building, including incorporation of all mechanical,
  electrical, plumbing and fire protection systems ("MEP") changes detailed in Section 12 below.
- A full description of proposed alterations/restoration/additions to exterior and interior, identifying all landmarked and historic (as recognized under state, federal and local laws) features, including discussion of materials, finishes and colors.
- All drawings shall be pre-schematic level, at the scale of 1/16" = 1'-0" and should include the following:
  - Site plan showing any proposed modifications to the building, entrances, exits and external circulation patterns
  - Plans, sections, and elevations, including, at minimum:
    - · Plans:
      - All levels of the Administration Building and the ground and mezzanine levels of the Drill Hall
    - · Building and/or Site sections:
      - North-South sections through the Headhouse
      - North-South sections through the Drill Hall
      - East-West section through the Headhouse and Drill Hall
    - Elevations:
      - Park Avenue and Lexington Avenue facades of the Armory

#### PLEASE NOTE:

- Relevant plans, sections, elevations and details (to a larger scale, as necessary) should highlight
  proposed alterations and features including:
  - usage concept for each space
  - special features
  - interior and exterior circulation
  - preservation implications
  - structural proposals
- Proposers should submit one (1) set of drawings in 1/16"=1'0" scale, mounted on 48"x 60" foamcore boards
- 11"x 17" reproductions of all drawings should be included in the bound proposals.

#### **SECTION 12- MEP DRAWINGS**

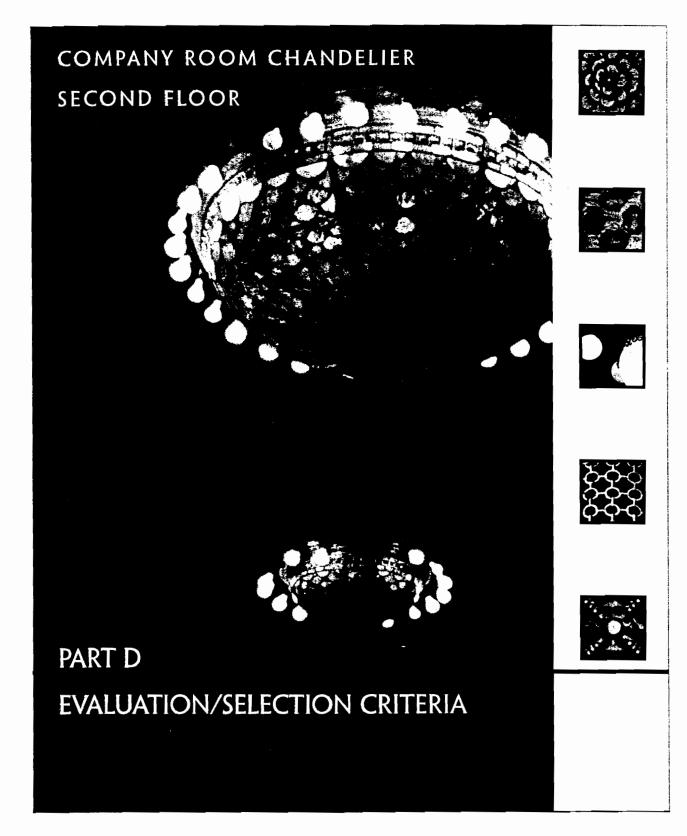
Minimum submission requirements for proposed improvements and modifications to:

 Mechanical, Electrical, Plumbing and Fire Protection Systems (alternately known as MEP systems).

All drawings shall be pre-schematic level, at the scale of 1/16" = 1'-0".

- Please provide a written schematic description of improvements and modifications to electrical systems which shall include electric service, distribution and branch circuit protection, as well as power wiring devices.
- One line diagram of proposed electrical system improvements and modifications.
- Written schematic description of improvements and modifications to mechanical systems,
  which shall include a description of scope and method for air-conditioning of the facility.
  Submittal shall include a summary calculation of overall cooling/heating system capabilities, as
  well as a description of the type of cooling systems to be employed.
- Schematic drawings of improvements and modifications to mechanical systems which shall include simplified one-line drawings and likely locations of mechanical equipment.
- Fire protection analysis of proposed changes in use occupancy.
- · Schematic drawings of improvements and modifications to fire protection systems.
- Description of proposed construction planning of critical MEP improvements and modification.

REGIMENT ARMORY ON PARK AVENUE





# PART D -EVALUATION/SELECTION CRITERIA

ESD and DMNA will evaluate each Proposal on the basis of its potential to achieve the goals set forth in Part B of this RFP, and evidence of the following (these items are not listed in their order of priority):

- 1) Ability to provide quality restoration, maintenance and management of the Armory
- 2) Experience and financial capability to successfully undertake a project of this size and type
- 3) A comprehensive and feasible financing plan
- 4) Appropriate uses for the building and neighborhood

The following selection criteria will be used by ESD and DMNA in their evaluation (these criteria are not listed in their order of priority):

- 1) Experience and capability of the Development Team and experience with similar projects
- 2) Financial capability of the Proposer
- 3) Quality and sensitivity of design and preservation plan
- 4) Quality and viability of the proposed operation and management
- 5) Feasibility of the financing plan
- 6) Financial viability of the proposed use program
- 7) Evidence of Proposer's understanding of community concerns including, but not limited to, traffic, noise, and litter
- 8) Financial return to the State

